

4-19-1. Department responsible for conduct and administration of rural rehabilitation program.

The department shall conduct and administer the rural rehabilitation program within the state in accordance with the agreement entered into in January 1975, between the United States of America through its Farm Home Administration and the state through its commissioner.

Amended by Chapter 179, 2007 General Session

4-19-2. Department authorized to approve and make grants and loans, acquire property, or lease or operate property.

The department, in conjunction with the administration of the rural rehabilitation program, may:

(1) approve and make a loan to a farm or agricultural cooperative association regulated under Title 3, Uniform Agricultural Cooperative Association Act, subject to Section 4-19-3, including:

(a) taking security for the loan through a mortgage, trust deed, pledge, or other security device;

(b) purchasing a promissory note, real estate contract, mortgage, trust deed, or other instrument or evidence of indebtedness; and

(c) collecting, compromising, canceling, or adjusting a claim or obligation arising out of the administration of the rural rehabilitation program;

(2) purchase or otherwise obtain property in which the department has acquired an interest on account of a mortgage, trust deed, lien, pledge, assignment, judgment, or other means at any execution or foreclosure sale;

(3) operate or lease, if necessary to protect its investment, property in which it has an interest or sell or otherwise dispose of the property; and

(4) approve and make an education loan or an education grant to an individual for the purpose of attending a vocational school, college, or university to obtain additional education, qualifications, or skills.

Amended by Chapter 324, 2010 General Session

4-19-3. Loans -- Not to exceed period of 10 years -- Agricultural Advisory Board to approve loans and renewals, methods of payments, and interest rates -- Guidelines in fixing interest rates declared.

(1) The department may not make a loan authorized under this chapter for a period to exceed 10 years but the loan is renewable.

(2) The Agricultural Advisory Board shall approve:

(a) all loans and renewals;

(b) the methods of repayment; and

(c) the interest rates charged.

(3) In fixing interest rates, the Agricultural Advisory Board shall consider:

(a) the current applicable interest rate or rates being charged by the USDA Farm Service Agency on similar loans;

(b) the current prime rate charged by leading lending institutions; and

- (c) any other pertinent economic data.
- (4) The interest rates established shall be compatible with guidelines stated in this section.

Amended by Chapter 179, 2007 General Session

4-19-4. Utah Rural Rehabilitation Fund.

(1) The department shall deposit all income generated from the administration of the rural rehabilitation program in a separate fund known as the "Utah Rural Rehabilitation Fund."

(2) The state treasurer shall maintain the Utah Rural Rehabilitation Fund and record all debits and credits made to the fund by the department.

Amended by Chapter 179, 2007 General Session